STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

`			

AMENDED REPORT	
(highlight changes)	

······································	Α .	PPLICAT	ION FOR	PERMIT TO	DRILL		5. MINERAL LEASE NO: ML-47969	6. SURFACE:
14 TVDF 05 12/0			REENTER [IVIL-4 / 909 7. IF INDIAN, ALLOTTEE O	State R TRIBE NAME:
TA. TYPE OF WO								
B. TYPE OF WE	LL: OIL	GAS 🗹 C	THER	SING	GLE ZONE MULTIPLE ZON	E 🗸	8. UNIT or CA AGREEMEN	FNAME:
2. NAME OF OPE		n Compony					9. WELL NAME and NUMB	
3. ADDRESS OF	on Exploratio	n Company			PHONE NUMBER:		North Horsesho	
1100 Louisi	100 Louisiana sUITE 21 CITY Houston STATE TX ZIP 77002 (713) 830-6800 Undersignated							
	4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 644' FSL & 1.934' FWL 4. LOCATION OF WELL (FOOTAGES) 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:							
AT SURFACE:	644' FSL &	1,934' FWL				?	SESW 10 69	S 22E
	PRODUCING ZON				Y -109.430418	?		
	MILES AND DIREC		EST TOWN OR PO	OST OFFICE:			12. COUNTY:	13. STATE: UTAH
	es south of \						Uintah	
644'	NEAREST PROPE	RIY OR LEASE LI	NE (FEET)	16, NUMBER OF	FACRES IN LEASE:	17. NU	MBER OF ACRES ASSIGNE	
	NEAREST WELL (DRILLING COMPL	ETED OR	19. PROPOSED	2,240	00 50		40
	R) ON THIS LEASE (LILD, OK	19, FROPOSED	9,401	1	ND DESCRIPTION:	
	(SHOW WHETHER	DF, RT, GR, ETC.):	22, APPROXIMA	TE DATE WORK WILL START:		1155044	
4,789				11/15/20	005	1	Days	
								Manufacturing in the property of the second
24.	24. PROPOSED CASING AND CEMENTING PROGRAM							
SIZE OF HOLE	CASING SIZE, G	RADE, AND WEIG	HT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUA	ANTITY, Y	IELD, AND SLURRY WEIG	нт
11"	8 5/8"	J-55	36#	2,000	PREMIUM LITE II	250	SKS 3.38 C	F 1'
					CLASS "G"	329	SKS 1.2 C	F 15.6 PPG
					Calcium Chloride	200	SKS 1.10 C	F 15.6 PPG
7 7/8"	4 1/2"	N-80	11.6#	9,401	PREMIUM LITE II	200	SKS 3.3 C	F 11.0 PPG
					CLASS "G"	400	SKS 1.56 C	F 14.3 PPG
25					011157170			Manufactura de la companya del companya de la companya del companya de la company
25.					CHMENTS			
VERIFY THE FOL	LOWING ARE ATTA	ACHED IN ACCORD	DANCE WITH THE	UTAH OIL AND GAS CO	ONSERVATION GENERAL RULES:	ſ	CONFIDEN	ITIAI
✓ WELL PL	AT OR MAP PREPA	RED BY LICENSE	SURVEYOR OR	ENGINEER	COMPLETE DRILLING PLAN	l	JUNI IULIN	IIAL
EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER								
NAME (PLEASE PRINT) Willam A. Ryan TITLE Agent								
SIGNATURE WILLOW CA NY DATE 11-14-DD								
(This space for Sta	te use only)	V		Anni	roved by the		RECEIVE	D
				🗄 Utar	Division of 🖳 🗆			
API NUMBER ASS	SIGNED: U	3-047-3	7394	Oil, G	as and Mining		MUV 1 / 2005	
DIV. OF OIL, GAS & MINING								

(11/2001)

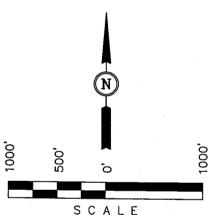
T6S, R22E, S.L.B.&M. EAST - 5293.20' (G.L.O.) Utah. (C.L.O.) 5280.00 NORTH HORSESHOE #14-10-6-22 1934' (Comp. Elev. Ungraded Ground = 4790' (Comp.) N70'40'44" 1970 Brass Cap, 0.4' High, 5280.00' (G.L.O.) T-Post (Comp.) BASIS OF BEARINGS BASIS OF BEARINGS IS A G.P.S. OBSERVATION. (AUTONOMOUS NAD 83) LEGEND: LATITUDE = 40'18'27.48'' (40.307633) = 90' SYMBOL LONGITUDE = 109'25'52.39" (109.431219) (AUTONOMOUS NAD 27) = PROPOSED WELL HEAD. LATITUDE = 40'18'27.61" (40.307669) = SECTION CORNERS LOCATED. LONGITUDE = 109'25'49.91" (109.430531)

THE HOUSTON EXPLORATION COMPANY

Well location, NORTH HORSESHOE #14-10-6-22, located as shown in the SE 1/4 SW 1/4 of Section 10, T6S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A HILLTOP LOCATED IN THE SW 1/4 OF SECTION 11, T6S, R22E, S.L.B.&M. TAKEN FROM THE RASMUSSEN HOLLOW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4993 FFFT



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS REFEARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OF UNDER MY SUPERVISION AND THAT THE SAME ARE REVE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELLET.

REGISTERED LAND SURVEYOR REGISTRATION NOT 18 319 STATE OF UTAH

UINTAH ENGINEERING & LANDESURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

	·		
SCALE	DATE SURVEYED:	DATE DRAWN:	
1" = 1000'	08-03-05	08-10-05	
PARTY	REFERENCES	-, -, -, -, -, -, -, -, -, -, -, -, -, -, -	
N.H. D.M. L.K.	G.L.O. PLAT		
WEATHER HOT	FILE THE HOUSTON EXPLORATION COMPANY		

Ten Point Plan

The Houston Exploration Company

North Horseshoe 14-10-6-22

Surface Location SE ¼ SW ¼, Section 10, T. 6S., R. 22E.

1. Surface Formation

Green River

2. Estimated Formation Tops and Datum:

Formation	Depth	Datum
GR	Surface	4,789°
KB	+12'	4,801'
Green River	3,701'	+1,100'
Wasatch	6,801'	-2,000'
Mesaverda	9,401'	-4,600°TD

A 11" hole will be drilled to 2,000' +/-. The hole depth will depend on the depth that the Birds Nest Zone is encountered. The hole will be drilled 400' beyond the top of the Birds Nest.

3. Producing Formation Depth:

Formation objective includes the Green River, Wasatch, Mesaverde and its submembers.

Off set well information

Permitted/Drilled:

North Horseshoe #16-9-6-22 North Horseshoe #4-15-6-22 North Horseshoe #2-15-6-22

Abandoned Wells:

N#2

4. Proposed Casing:

Hole	Casing			Coupling	Casing	
<u>Size</u>	Size	Weight/FT	<u>Grade</u>	& Tread	<u>Depth</u>	New/Used
11	8 5/8	36#	J-55	STC	2000	NEW
7 7/8	$4\frac{1}{2}$	11.6#	N-80	LTC	T.D.	NEW

Cement Program:

The Surface Casing will be cemented to the Surface as follows:

Lead:	Casing <u>Size</u>	Cement Type	Cement Amounts	Cement <u>Yield</u>	Cement Weight
Lead.	8 5/8	Premium Lite II .05#/sk Static Free .25#/sk Cello Flake 5#/sk KOL Seal .002 gps FP-6L 10% Bentonite .5% Sodium Metasil 3% Potassium Chlor		3.38ft³/sk	11.0 ppg
Tail:					
	8 5/8	Class "G" 2% Calcium Chlorid .25#/sk Cello Flake	329 sks. +/- le	1.2ft³/sk	15.6 ppg
Top Jo	ob:		·		
	8 5/8	4% Calcium Chlorid .25#/sk Cello Flake	e 200 sks. +	/-1.10ft³/sk	15.6 ppg

Production casing will be cemented to 2,500° or higher as follows:

	Casing Size	Cement <u>Type</u>	Cement Amounts	Cement Yield	Cement Weight
Lead:			•		
	4 1/2	Premium Lite II .25#/sk Cello Flake .05#/sk Static Free 5#/sk Kol Seal 3% Potassium Chlore .055 gps FP-6L 10% Bentonite .5 Sodium Metasilica		3.3ft³/sk	11.0 ppg
Tail:					
	4 1/2	Class "G" .05% Static Free 2 Sodium Chloride .1% R-3 2% Bentonite	400 sks +/-	1.56ft³/sk	14.3 ppg

5. BOP and Pressure Containment Data:

The anticipated bottom hole pressure will be less than 3000 psi.

A 3000-psi WP BOP system as described in the BOP and Pressure Containment Data (attached) will be installed and maintained from the 8 5/8" surface casing. The BOP system including the casing will be pressure tested to minimum standards set forth in "On Shore Order #2". The BOP will be mechanically checked daily during the drilling operation.

6. Mud Program:

Interval	Mud weight lbs./gal.	Viscosity Sec./OT.	Fluid Loss Ml/30 Mins.	Mud Type
0-2000 2000-T.D.	Air/Clear Water 8.4-12.0	30	No Control 8-10	Water/Gel Water/Gel

7. Auxiliary Equipment

Upper Kelly cock, full opening stabbing valve, 2 ½" choke manifold and pit level indicator.

8. Testing, Coring, Sampling and Logging:

a)	lest:	None are anticipated.		
b)	Coring:	There is the possibility of sidewall coring.		
c)	Sampling:	Every 10' from 2000' to T.I.).	
d)	Logging:	Type DLL/SFL W/GR and SP FDC/CNL W/GR and CAL	Interval T.D. to Surf. Csg T.D. to Surf. Csg	

9. Abnormalities (including sour gas):

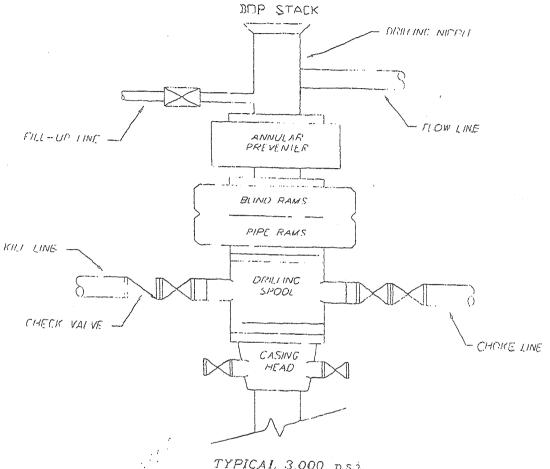
No abnormal pressures, temperatures or other hazards are anticipated. Oil and gas shows are anticipated in the Wasatch Formation. Other wells drilled in the area have not encountered over pressured zones or H2S.

10. Drilling Schedule:

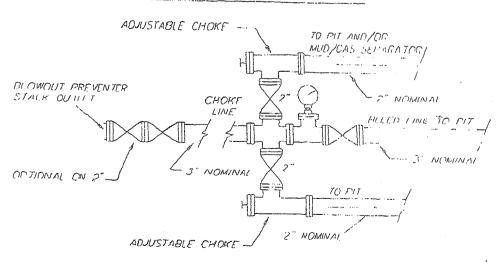
The anticipated starting date is $\underline{1/1/2005}$. Duration of operations is expected to be 30 days.

THE HOUSTON EXPLORATION COMPANY

TYPICAL 3.000 p.s.z. BLOWOUT PREVENTER SCHEMATIC



TYPICAL 3,000 p.s.i. CHOKE MANIFOLD SCHEMATIC



TYPICAL

WELL HEAD

VAIVE

VALUE AND VAI

THE HOUSTON EXPLORATION COMPANY 13 POINT SURFACE USE PLAN FOR WELL

NORTH HORSESHOE 14-10-6-22

LOCATED IN SE 1/4 SW 1/4

SECTION 10, T. 6S, R22E, S.L.B.&M.

UINTAH COUNTY, UTAH

LEASE NUMBER: ML-47969

SURFACE OWNERSHIP: STATE

1. Existing Roads:

To reach The Houston Exploration Co. well North Horseshoe 14-10-6-22 in Section 9, T6S, R 22E, Starting in Vernal, Utah.

Proceed in an easterly, then southerly direction from Vernal. Utah along U.S. Highway 40 approximately 3.9 miles to the junction of this road and State Highway 45; exit right and proceed in a southerly, then southeasterly direction approximately 5.2 miles on State Highway 45 to the junction of this road and an existing road to the southeast, turn left and proceed in a southeasterly, then southerly direction approximately 4.5 miles to the beginning of the proposed access to the west; follow road flags in a westerly direction approximately 0.15 miles to the proposed location.

Total distance from Vernal, Utah to the proposed well location is approximately 13.75 miles.

All existing roads to the proposed location are State of Utah, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 792' +/- of new construction on lease. The road will be graded once per year minimum and maintained.

A) Approximate length	792 ft
B) Right of Way width	30 ft
C) Running surface	18 ft
D) Surface material Na	tive soil
E) Maximum grade	5%
F) Fence crossing	None
G) Culvert	None
H) Turnouts	None
I) Major cuts and fills	None
J) Road Flagged	Yes
K) Access road surface	ownership
	State
L) All new construction	on lease
	Yes

M) Pipe line crossing None Please see the attached location plat for additional details.

An off lease right-of-way will not be required.

All surface disturbances for the road and location will be within the lease boundary.

3. Location of existing wells The following wells are located within a one-mile radius of the location site.

additional details.

A) Producing well	None
B) Water well	None
C) Abandoned well	
N #2	
D) Temp. abandoned well	None
E) Disposal well	None
F) Drilling /Permitted well	
North Horseshoe 2-15-6-22	
North Horseshoe 4-15-6-22	
North Horseshoe 16-9-6-22	
G) Shut in wells	None
H) Injection well	None
I) Monitoring or observation	well
	None
Please see the attached map for	

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat plan for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted an **Carlsbad Canyon** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Carlsbad Canyon**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 cfr 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval form the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 25,258' +/- of 3" steel surface gas gathering line would be constructed on State Lands. The line will tie into the existing pipeline in Section 31,

T5S, R22E. The pipeline would be strung and boomed to the northwest of the location. The pipeline may be buried as determined by the Authorized Officer at the onsite.

An off lease right-of-way will be required for approximately 18,000'.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meterproving schedules. A copy of the meter calibration report will be submitted to the BLM's Vernal District office and State of Utah. Division of Oil, Gas, and Mining. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will come from The Green River in Permit #T-76073.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. Additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately **12 ft**. deep and most of the depth shall be below the surface of the existing ground Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.

C) Garbage:

A trash cage fabricated from expanded metal will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

A portable chemical toilet will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

A) Pad length	345 ft.
B) Pad width	245 ft.
C) Pit depth	12 ft.
D) Pit length	150 ft.
E) Pit width	75 ft.
F) Max cut	16.3 ft.
G) Max fill	4.4 ft.
H) Total cut yds.	7,620 cu yds

I) Pit locationJ) Top soil location

South end

North side

K) Access road location

East end corner C

L) Flare Pit

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Thirty nine inch net wire shall be used with at least one strand of wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- B) The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches above the net wire. Total height of the fence shall be at leas 42 inches.
- C) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

- D) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.
- E) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface

Prior to construction of the location. the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 1,750 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be recontoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified and left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Seed Mix

To be determined by the Authorized Officer.

11. Surface ownership:

Access road Location Pipe line

State State

State & Federal

12. Other information:

A) Vegetation

The vegetation coverage is Slight. The majority of the existing vegetation consists of non-native species. Rabbit brush, bitter brush, and Indian Rice grass and Sagebrush are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites, will be suspended and the discovery reported

promptly to the surface management agency.

D) Water:

The nearest water is the Green River located 3,500' to the South.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction
 At least forty eight (48)
 hours prior to
 construction of location
 and access roads.
- b) Location completion Prior to moving on the drilling rig.
- c) Spud notice At least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing
 At least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice Within five (5) business days after the new well begins, or production resumes after well has

been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in **corner** C of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification

A) Representative

William A. Ryan Rocky Mountain Consulting 290 S 800 E Vernal, UT 84078

Office 435-789-0968 Fax 435-789-0970 Cellular 435-828-0968

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval.

After permit termination, a new

application will be filed for approval for any future operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by The Houston **Exploration Company and its** contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Date 11.14.06

William A. Ryan, Agent / Rocky Mountain Consulting

Onsite Dates:

Statement of use of Hazardous Materials

No chemical(s) from the EPA's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization, Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No transported, disposed, or associated with the produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

William A Ryan
Agent for The Houston Exploration Company
Rocky Mountain Consulting
290 S 800 E
Vernal, UT 84078

435-789-0968 Office 435-828-0968 Cell 435-789-0970 Fax

THE HOUSTON EXPLORATION COMPANY

NORTH HORSESHOE #14-10-6-22

LOCATED IN UINTAH COUNTY, UTAH **SECTION 10, T6S, R22E, S.L.B.&M.**



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY

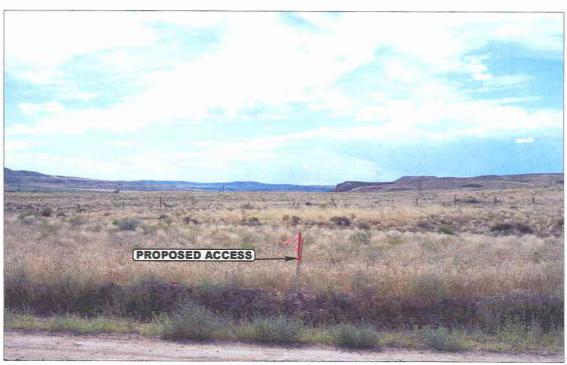


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



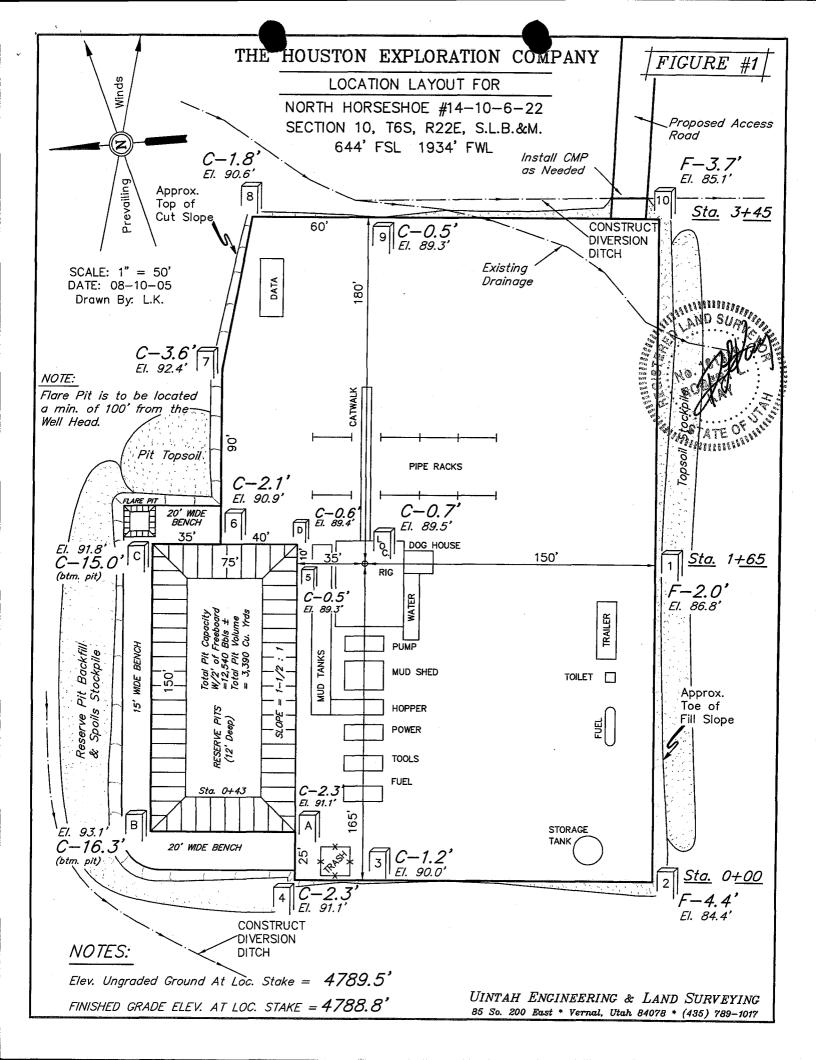
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

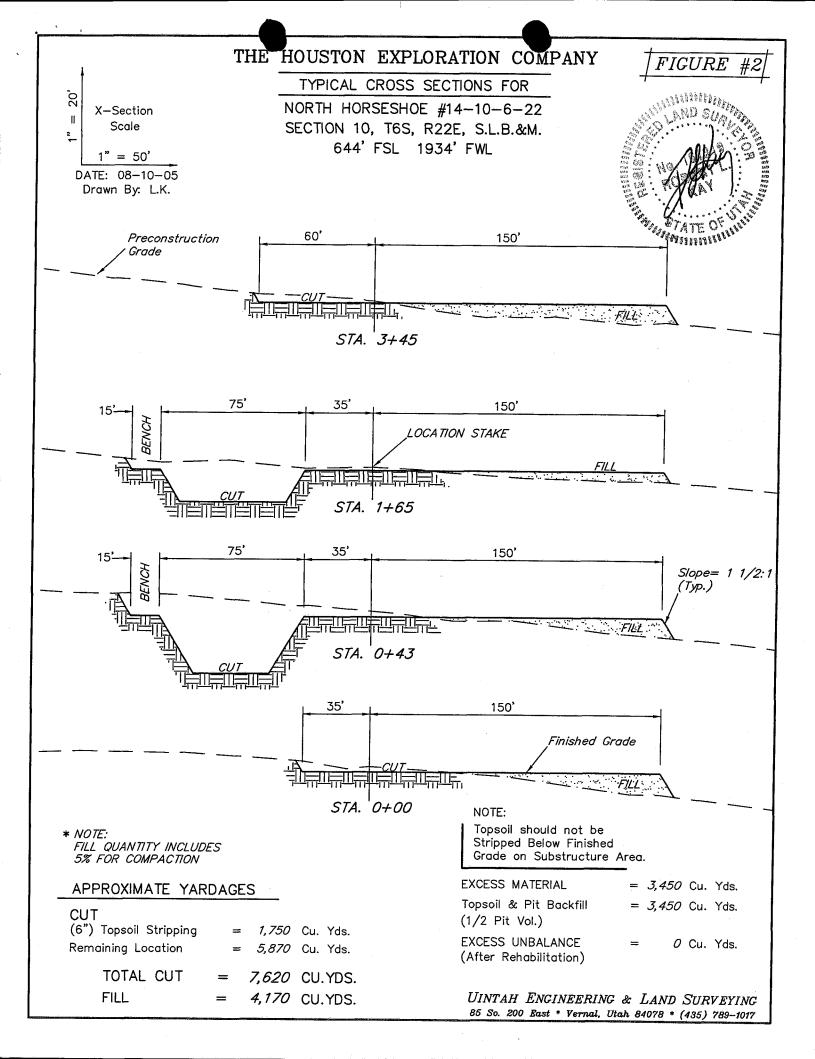
LOCATION PHOTOS

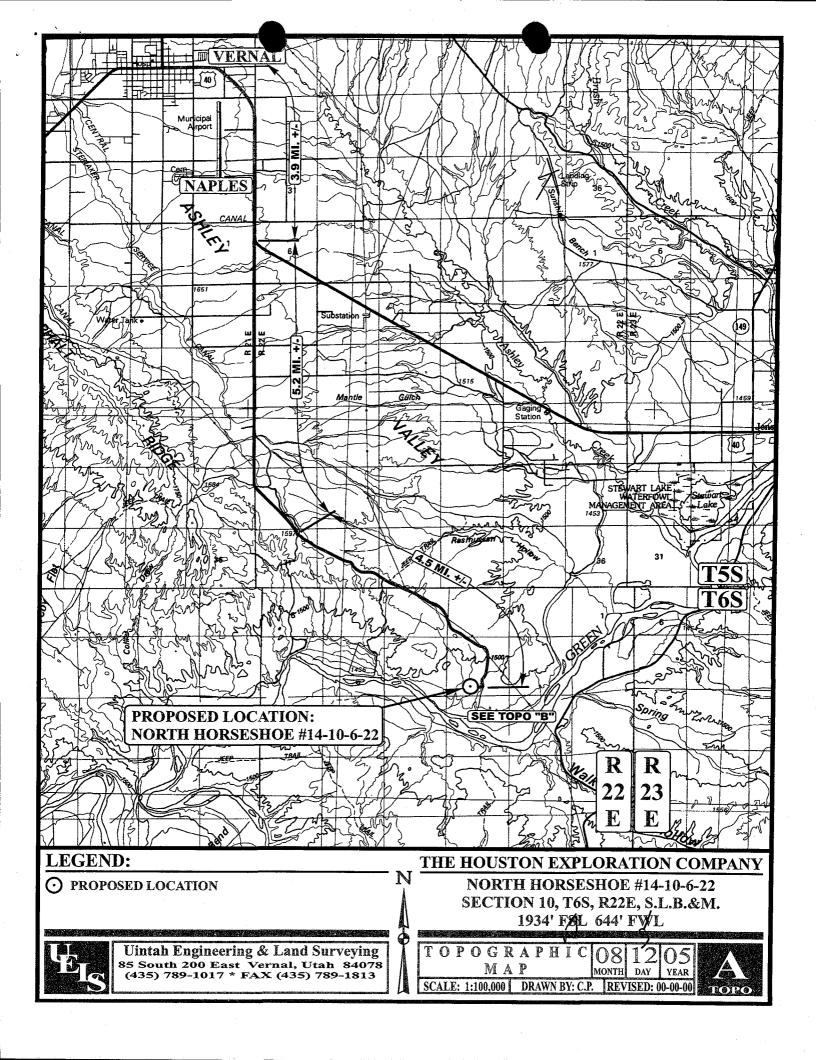
MONTH DAY YEAR

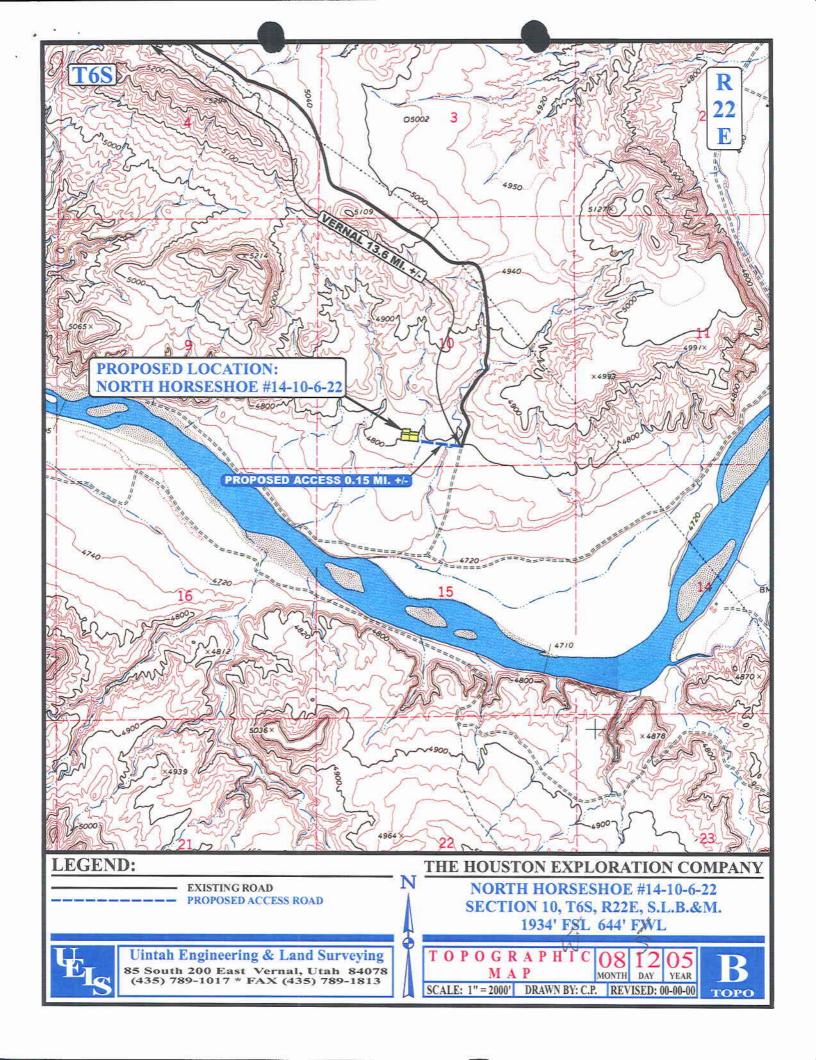
РНОТО

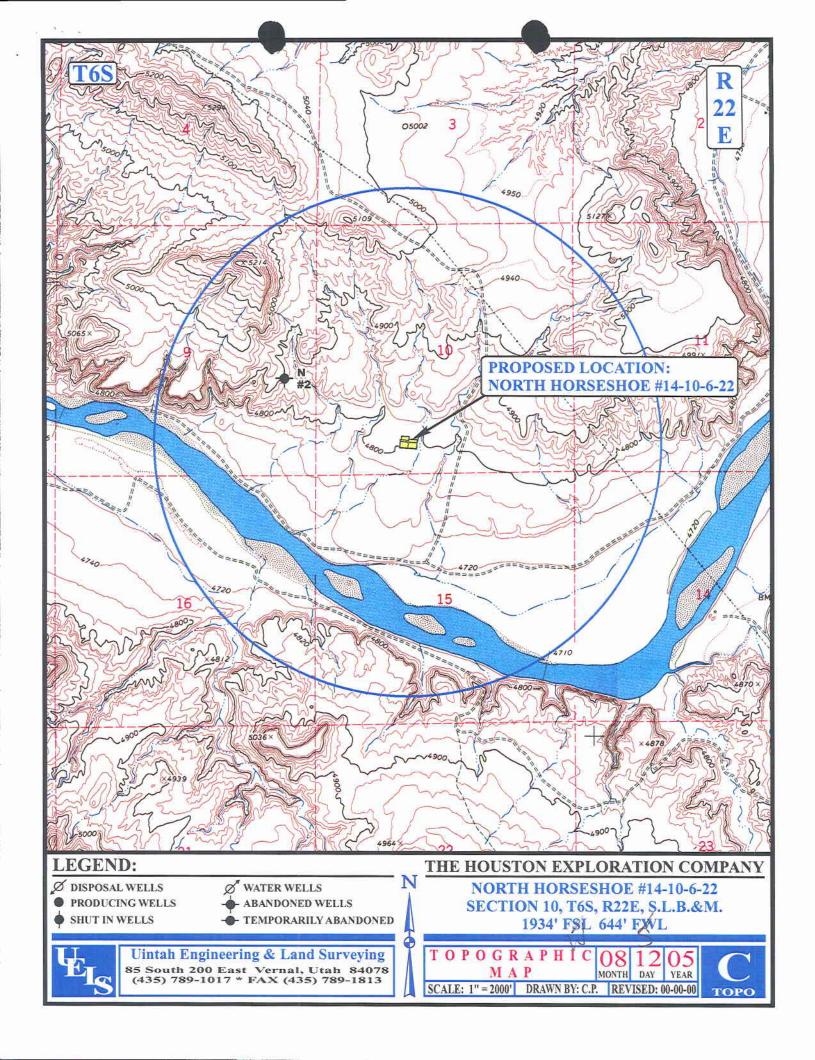
TAKEN BY: N.H. DRAWN BY: C.P. REVISED: 00-00-00

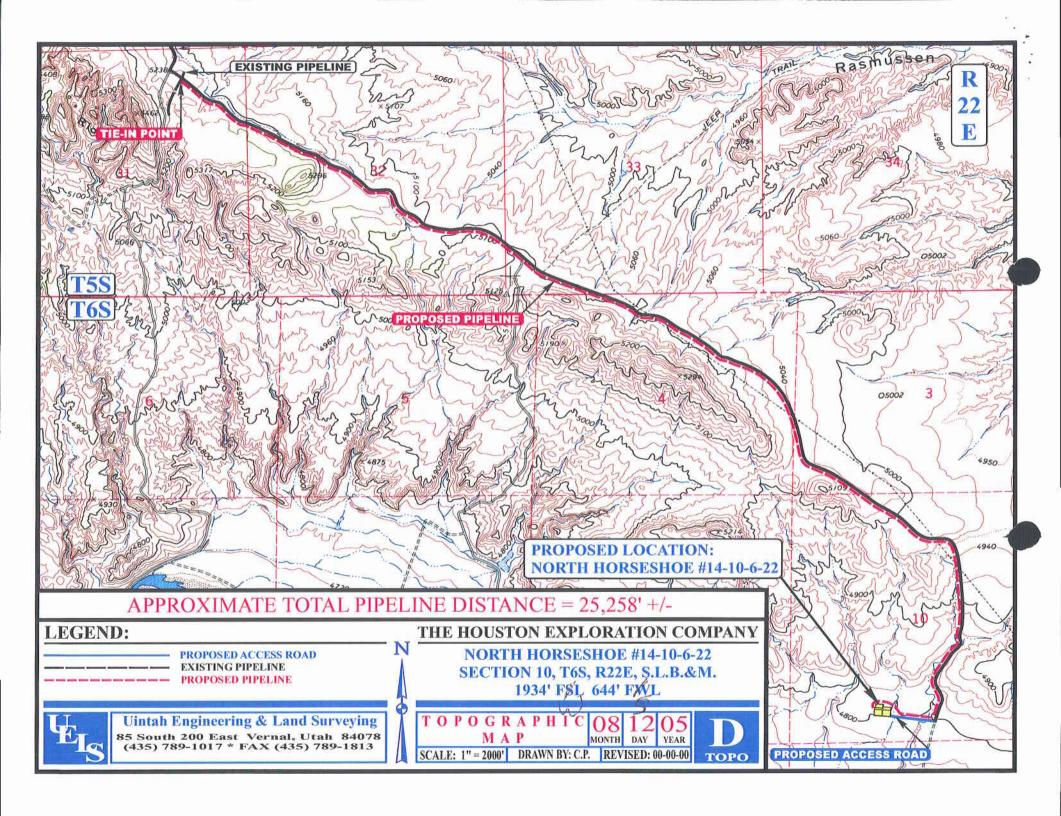














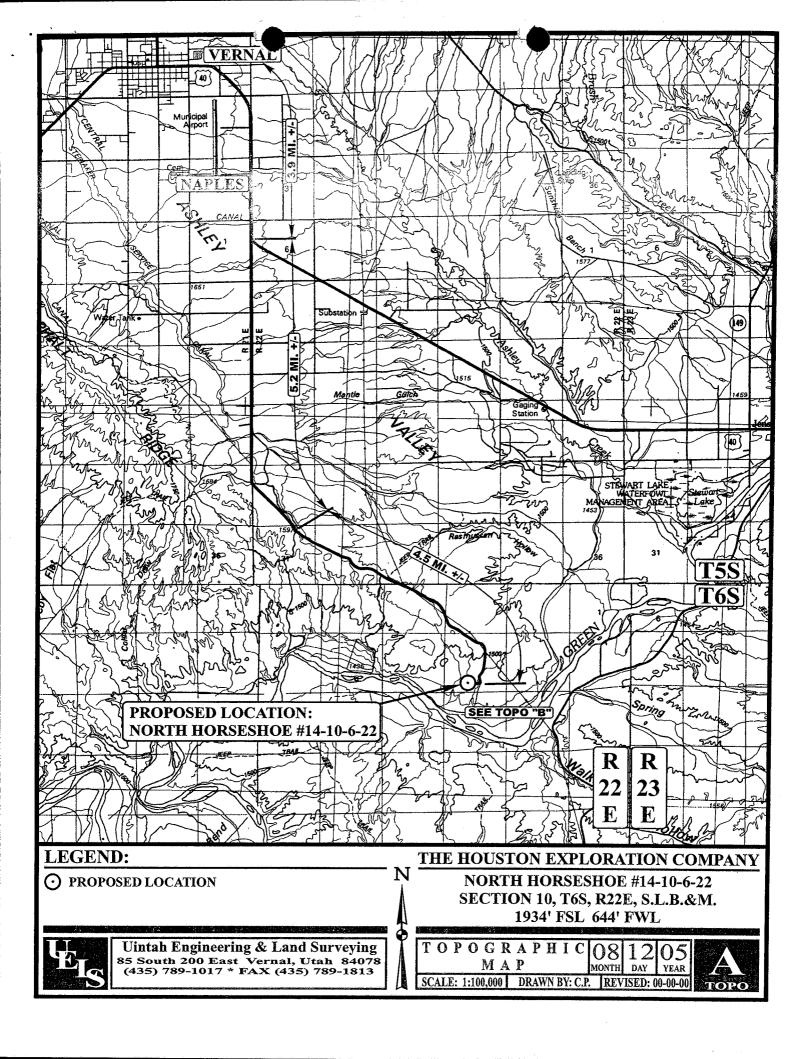
STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING



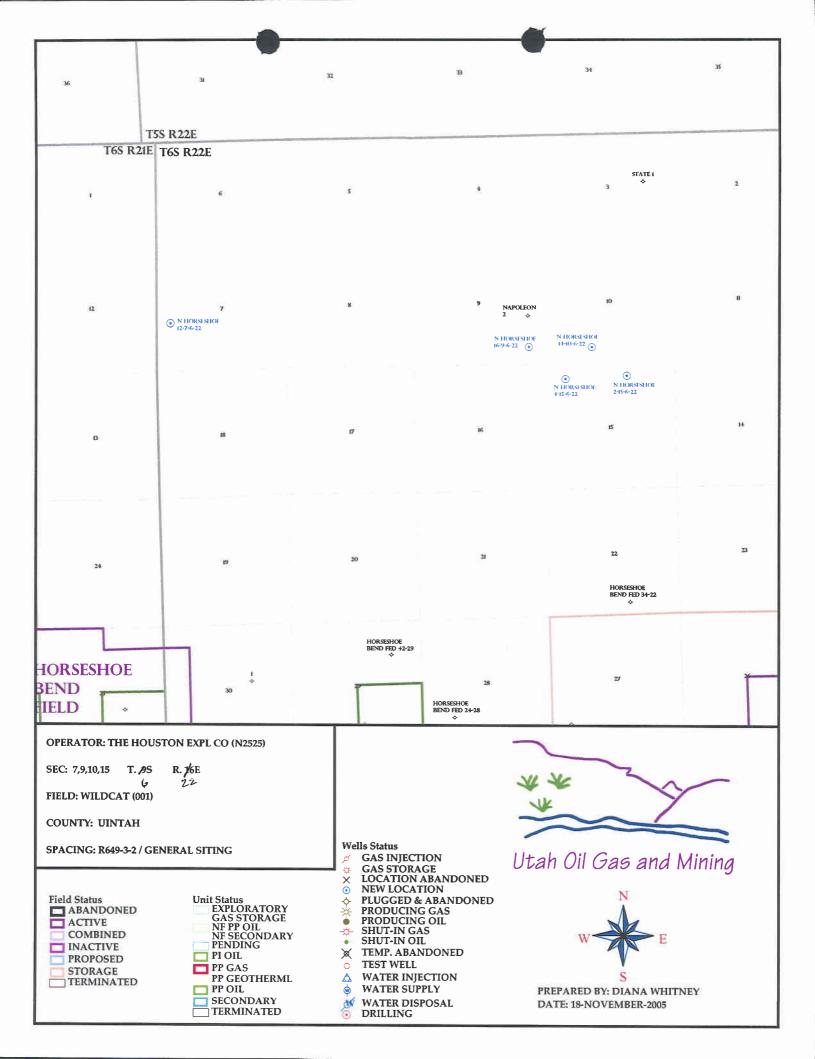
AMENDED REPORT (highlight changes)

	A	PPLICATIO	N FOR	PERMIT TO	DRILL		5. MINERAL L ML-4796		6. SURFACE: State	
1A. TYPE OF WORK: DRILL V REENTER DEEPEN				7. IF INDIAN,	ALLOTTEE OR 1	RIBE NAME:				
B. TYPE OF WE	LL: OIL	GAS 🕢 OT	HER	SIN	GLE ZONE MULTIPLE ZON	E	8. UNIT or CA	AGREEMENT N	AME:	
2. NAME OF OPE		r medicini formini (1808). Directi (1804) filipi (1804) kilahili keri kasi internatione entandisi dire	AND THE PERSON AND AND ADDRESS OF THE PERSON ADDRESS OF THE PERSON AND ADDRESS OF THE PERSON ADDRESS OF TH	Transcription of the transcription of the second of the se	·····································		S. WELL NAM	E and NUMBER:		
The state of the s		on Company							14-10-6-22	
	iana sUITE 2	2 _{CITY} Houston	STA	TK TX 770	002 PHONE NUMBER: (713) 830-6800		10. FIELD AN	D POOL, OR WII Mated	LOCATE DIDULO	
	WELL (FOOTAGES	,		123381 V	40 70000	,	11. QTR/QTR MERIDIAN	SECTION, TOV	VNSHIP, RANGE,	
AT SURFACE:	644' FSL &	1,934' FWL	,		(0, 30 1 3 8)	ا '	SESW		22E	
		⊫: same as ab			(40, 30838) Y -109.430418	8				
		TION FROM NEAREST	TOWN OR PO	ST OFFICE:			12. COUNTY:		13, STATE:	
	es south of \						Uintah		UTAH	
	NEAREST PROPE	ERTY OR LEASE LINE	(FEET)	16. NUMBER O	FACRES IN LEASE:	17. N	MBER OF ACE	RES ASSIGNED	TO THIS WELL:	
644'					2,240	Ì			40	
18. DISTANCE TO APPLIED FOR	NEAREST WELL R) ON THIS LEASE	(DRILLING, COMPLETE (FEET)	D, OR	19. PROPOSED	DEPTH:	20. BC	20. BOND DESCRIPTION:			
1,500'					9,401	10	104155044			
21. ELEVATIONS	(SHOW WHETHER	RDF, RT, GR, ETC.):		22. APPROXIMA	ATE DATE WORK WILL START:	23. ES	23. ESTIMATED DURATION:			
4,789				11/15/20	005	30	30 Days			
24.			PROPOS	ED CASING A	ND CEMENTING PROGRAM					
SIZE OF HOLE	CASING SIZE, G	GRADE, AND WEIGHT I	PER FOOT	SETTING DEPTH	CEMENT TYPE, QUA	ANTITY,	YIELD, AND SL	URRY WEIGHT		
11"	8 5/8"	J-55	36#	2,000	PREMIUM LITE II	250	SKS	3.38 CF	1`	
					CLASS "G"	329	SKS	1.2 CF	15.6 PPG	
					Calcium Chloride	200	SKS	1.10 CF	15.6 PPG	
7 7/8"	4 1/2"	N-80	11.6#	9,401	PREMIUM LITE II	200	SKS	3.3 CF	11.0 PPG	
					CLASS "G"	400	SKS	1.56 CF	14.3 PPG	
		·				···········				
25.				ATTA	CHMENTS					
VERIFY THE FOL	LOWING ARE ATT	ACHED IN ACCORDAN	CE WITH THE (JTAH OIL AND GAS CO	ONSERVATION GENERAL RULES:			IDENIT	'I A I	
✓ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER ✓ COMPLETE DRILLING PLAN				LUNF	IDENT	IAL				
EAIDEMC	E OF DIVISION OF	WATER RIGHTS APP	ROVAL FOR US	E OF WATER	FORM 5, IF OPERATOR IS PE	RSON O	R COMPANY O	THER THAN TH	E LEASE OWNER	
	Man	A D			_				<u></u>	
NAME (PLEASE	Willam Willam	A. Ryan			птье Agent		···	·		
SIGNATURE	Witten	-a ty			DATE 11:14-05	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	*************		
(This space for Sta	te use only)	V				F	REC	EIVED		
API NUMBER ASSIGNED: 43-047-37394				r.						
		APPROVAL:		MUV 1 7 2005						
			DI	DIV. OF OIL, GAS & MINING						

T6S, R22E, S.L.B.&M. THE HOUSTON EXPLORATION COMPANY Well location, NORTH HORSESHOE #14-10-6-22, EAST - 5293.20' (G.L.O.) located as shown in the SE 1/4 SW 1/4 of Section 10, T6S, R22E, S.L.B.&M. Uintah County. Utah. BASIS OF ELEVATION SPOT ELEVATION AT A HILLTOP LOCATED IN THE SW 1/4 OF SECTION 11, T6S, R22E, S.L.B.&M. TAKEN FROM THE RASMUSSEN HOLLOW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4993 FEET. (G.L.O.) (c.r.o.) 5280.00 5280.00 SCALE CERTIFICATE NORTH HORSESHOE THIS IS TO CERTIFY THAT THE ABOVE PLAY WAS REPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OF UNDER MY #14-10-6-22 1934' (Comp.) Elev. Ungraded Ground = 4790' SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT (Comp.) _ N70°40°44°E BEST OF MY KNOWLEDGE AND BELLE 1970 RECISTERED LAND SURVEYOR Brass Cap, 0.4' High, 5280.00' (G.L.O.) REGISTRATION NOT 181319 T-Post STATE OF UTAH (Comp.) UINTAH ENGINEERING & LANDINGURVEYING BASIS OF BEARINGS 85 SOUTH 200 EAST - VERNAL, UTAH 84078 BASIS OF BEARINGS IS A G.P.S. OBSERVATION. (435) 789-1017 LEGEND: (AUTONOMOUS NAD 83) SCALE DATE SURVEYED: DATE DRAWN: LATITUDE = 40'18'27.48'' (40.307633) 1" = 1000'08-03-05 08-10-05 = 90° SYMBOL LONGITUDE = 109'25'52.39" (109,431219) PARTY REFERENCES (AUTONOMOUS NAD 27) = PROPOSED WELL HEAD. N.H. D.M. L.K. G.L.O. PLAT LATITUDE = 40'18'27.61'' (40.307669) WEATHER = SECTION CORNERS LOCATED. LONGITUDE = 109'25'49.91" (109.430531) THE HOUSTON HOT EXPLORATION COMPANY



APD RECEIVED: 11/17/2005	API NO. ASSIGNED: 43-047-37394			
WELL NAME: N HORSESHOE 14-10-6-22 OPERATOR: HOUSTON EXPLORATION CO, (N2525) CONTACT: BILL RYAN	PHONE NUMBER: 4	35-789-0968	· · ·	
PROPOSED LOCATION:	<u> </u>		 	
SESW 10 060S 220E	INSPECT LOCATN BY: / /			
SURFACE: 0644 FSL 1934 FWL BOTTOM: 0644 FSL 1934 FWL	Tech Review	Initials	Date	
UINTAH	Engineering	DRD	1/20/06	
WILDCAT (1)	Geology			
LEASE TYPE: 3 - State LEASE NUMBER: ML-47969	Surface			
SURFACE OWNER: 3 - State PROPOSED FORMATION: MVRD COALBED METHANE WELL? NO	LATITUDE: 40.30838 LONGITUDE: -109.4304			
Plat Bond: Fed[] Ind[] Sta[] Fee[] (No. 104155044) Potash (Y/N) Oil Shale 190-5 (B) or 190-3 or 190-13 Water Permit (No. T-76073) RDCC Review (Y/N) (Date: 12/03/2005) N Fee Surf Agreement (Y/N) IN Intent to Commingle (Y/N)	R649-3-3. E Drilling Uni Board Cause Eff Date: Siting:	General rom Qtr/Qtr & 920' Exception it		
COMMENTS: Neurs Presto (11-29-05)				
STIPULATIONS: 1-Spacing Stip 2-STATEMENT OF BASIS				



DIVISION OF OIL, GAS AND MINING APPLICATION FOR PERMIT TO DRILL STATEMENT OF BASIS

OPERATOR:	THE HOUSTON EXPLORATION COMPANY		
WELL NAME & NUMBER:			
API NUMBER:	43-047-37394		
LOCATION: 1/4,1/4 SE/SW sec:1	<u>0 TWP: 6S RNG: 22E, 644 FSL 1934 FWL</u>		
Geology/Ground Water:			
	et 2000 feet of surface casing cemented to the surface. The base of the		
	d at 2,100 feet. A search of Division of Water Rights records shows two		
	dius of the proposed location. These wells are approximately. 5 miles and		
1.5 miles west of the proposed well	. The nearest well produces water from an unknown depth and is listed as		
industrial use. The farther well is 1	20 feet deep and is used for domestic and stock watering. The surface		
formation at this location is the Uin	ta Formation. The Uinta Formation is made up of discontinuous sands		
interbedded with shales and are not	expected to produce prolific aquifers. The proposed surface casing should		
adequately protect any near surface	aquifers.		
Reviewer: Brace	Hill Date: 12-06-05		
Surface:			
	face was performed on 11/29/05. Ben Williams with UDWR and Jim Davis		
with SITLA were invited to this inv	estigation by email on 11/22/05. Both were present.		
Mr. Williams representing the UDW	R stated the area is classified as high value yearlong habitat for antelope and		
	er. He did not recommend any restriction periods or actions to the Operator or		
	o other wildlife species are expected to be significantly affected. Mr. Williams		
also gave Ms. Stringham and Mr. Da	vis a UDWR recommended seed mix to be used when reserve pit and location		
are reclaimed.			
The location is in a drainage about.	0.3 miles upslope from the Green River floodplain. Proper installation and		
maintenance of a liner in the reserve	pit is essential during drilling operations.		
This site is on State surface, with Sta	te minerals, and appears to be the best site for a location in the immediate area		
Reviewer: Floyd B	<u>artlett</u> <u>Date: 11/30/05</u>		

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 16 mils and a felt subliner shall be properly installed and maintained in the reserve pit.

OPERATOR: THE HOUSTON EXPLORATION COMPANY

WELL NAME & NUMBER: NORTH HORSESHOE 14-10-6-22

API NUMBER: 43-047-37394

LEASE: ML-47969 FIELD/UNIT: WILDCAT

LOCATION: 1/4,1/4 SE/SW sec: 10 TWP: 6S RNG: 22E, 644 FSL 1934 FWL

LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.

GPS COORD (UTM): 628087 E 4462957 N SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

Floyd Bartlett (DOGM), Ginger Stringham (HOUSTON), Ben Williams (UDWR)
Corey Stubbs (Stubbs & Stubbs Construction), Jim Davis, (SITLA).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

The general setting and topography of the proposed wells within this area is on a relatively flat but slightly south sloping large bench north of the Green River. Asphalt ridge is to the north. The bench was formed by ancient river actions and deposited sediments. The area is approximately 14 miles south of Vernal, Utah and accessed by State Highway 45 and a medium standard Uintah County graveled road. The Green River floodplain lies on a lower bench to the south.

The proposed North Horseshoe 14-10-6-22 well is on a sandy gentle sloping bench approximately 0.5 miles north of the Green River. To reach the location a draw on the west side of the county road will be crossed with a low water crossing. Approximately 0.15 miles of new road will be constructed. The only perennial water in the area is in the Green River.

SURFACE USE PLAN

CURRENT SURFACE USE: wildlife, winter cattle grazing and hunting.

PROPOSED SURFACE DISTURBANCE: Construction of 0.15 miles of road, and construction of a well location 345'x 225' plus reserve pit and soil stockpile storage outside the described area.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: None shown on attached 'TOPO C" map from GIS database. Three other wells are planned in the immediate area and 1 abandoned well exists.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: All production facilities will be on location and added after drilling well. Pipeline will follow the edge of the access road approximately 25,258 feet to a tie-in point near the State Highway 45.

SOURCE OF CONSTRUCTION MATERIAL: <u>All construction material will be</u> borrowed from site during construction of location.

ANCILLARY FACILITIES: None will be required.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST OR CONCERNS? EXPLAIN: Unlikely. Oilfield activity is common in the area. The location is not within the Green River floodplain.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: None. The Green River floodplain is approximately .2 miles to the south.

FLORA/FAUNA: <u>Vegetation is dominated by rabbit brush</u>. Cheat grass, Russian thistle, globe mallow, Indian ricegrass, stipa and annual mustard also exist.

Dominant fauna is pronghorn, rodents, songbirds, raptors, deer, bobcat, coyote.

SOIL TYPE AND CHARACTERISTICS: Deep loamy sand, probably underlain with river deposited gravels.

EROSION/SEDIMENTATION/STABILITY: No stability problems are anticipated with the construction and operation of the location. A small drainage that intercepts the southeast corner of the location is planned to be diverted to the east around the location.

PALEONTOLOGICAL POTENTIAL: none observed.

RESERVE PIT

CHARACTERISTICS: 150' by 75' and 12' deep. The reserve pit is planned in an area of cut on the north west side of the location. No stabilization problems are expected.

LINER REQUIREMENTS (Site Ranking Form attached): A liner will be required for reserve pit. Sensitivity score of 25, rating as Level I, Highly Sensitive. Operator routinely installs a 16 mil. liner in all reserve pits.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER SITLA.

SURFACE AGREEMENT: AS PER SITLA.

CULTURAL RESOURCES/ARCHAEOLOGY: Site was inspected by Sagebrush Archeological Consultants on 11/4/2005. A report of this investigation will be placed in the file.

OTHER OBSERVATIONS/COMMENTS

Ben Williams representing the UDWR stated the area is classified as high value yearlong habitat for antelope and limited value yearlong habitat for deer. He did not recommend any restrictions to the Operator or SITLA.

ATTACHMENTS

Photos of site have been taken and placed on file.

Floyd Bartlett
DOGM REPRESENTATIVE

11/29/2005 12:30 PM DATE/TIME

Evaluation Ranking Criteria and Ranking Score For Reserve and Onsite Pit Liner Requirements

Site-Specific Factors	Ranking	Site Ranking
Distance to Groundwater (feet) >200 100 to 200	0 5	
75 to 100 25 to 75 <25 or recharge area	10 15 20	<u>0</u>
Distance to Surf. Water (feet) >1000 300 to 1000	0 2	
200 to 300 100 to 200 < 100	10 15 20	0
Distance to Nearest Municipal Well (feet)		
>5280 1320 to 5280 500 to 1320	0 5 10	
<pre><500 Distance to Other Wells (feet)</pre>	20	0
>1320 300 to 1320 <300	0 10 20	0
Native Soil Type Low permeability Mod. permeability	0	
High permeability	10 20	20
Fluid Type Air/mist Fresh Water	0 5	
TDS >5000 and <10000 TDS >10000 or Oil Base Mud Fluid containing significant levels of	10 15	
hazardous constituents	20	5
Drill Cuttings Normal Rock Salt or detrimental	0 10	. <u> </u>
Annual Precipitation (inches) <10 10 to 20	0 . 5	
>20	10	. <u>0</u>
Affected Populations <10	0	
10 to 30 30 to 50 >50	6 8 10	<u> </u>
Presence of Nearby Utility Conduits		
Not Present Unknown Present	0 10 15	0

(Level I Sensitivity)

Sensitivity Level II = 20 or more; total containment is required. Sensitivity Level II = 15-19; lining is discretionary. Sensitivity Level III = below 15; no specific lining is required.

Final Score







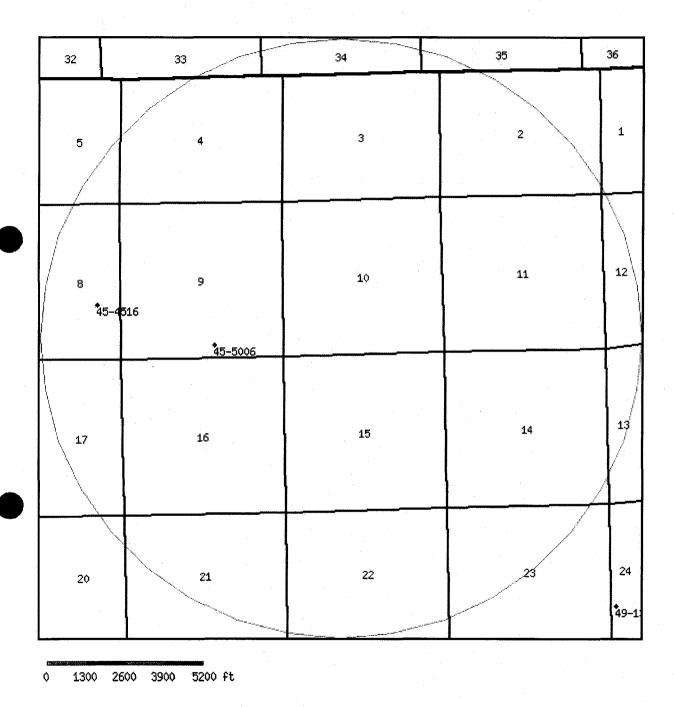


WRPLAT Program Output Listing

Version: 2004.12.30.00

Rundate: 12/06/2005 10:19 AM

Radius search of 10000 feet from a point N644 E1934 from the SW corner, section 10, Township 6S, Range 22E, SL b&m Criteria:wrtypes=W,C,E podtypes=U status=U,A,P usetypes=all



Water Rights

WR Number	Diversion Type/Location	Well Log	Status	Priority	Uses	CFS A	CFT	Owner Name
45-4516	Underground	well info	P	19800422	DIS	0.015 0.	000	TODD R., SUSAN F., RICKY T. & CHRISTINA M. THACKER
	S775 W775 E4 08 6S 22E SL							P.O. BOX 876
<u>45-5006</u>	Underground		U	19820416	O	0.030 0.0	000	R. G. WILEY
	N450 E400 S4 09 6S 22E SL							P.O. BOX #202
49-1387	Underground		A	19860102	os	0.000 5.	/ 7.1.1	USA BUREAU OF LAND MANAGEMENT
	N1800 E100 SW 24 6S 22E SL							2370 SOUTH 2300 WEST

Natural Resources | Contact | Disclaimer | Privacy Policy | Accessibility Policy

STATE ACTIONS

Resource Development Coordinating Committee

Governor's Office of Planning and Budget

5110 State Office Building **SLC, UT 84114**

Phone No. 537-9230

1. State Agency

Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801

2. Approximate date project will start:

Upon Approval or December 2, 2005

3. Title of proposed action:

Application for Permit to Drill

4. Description of Project:

The Houston Exploration Company proposes to drill the North Horseshoe 14-10-6-22 well (wildcat) on a State lease ML-47969, Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

5. Location and detailed map of land affected (site location map required, electronic GIS map preferred)

(include UTM coordinates where possible) (indicate county)

644' FSL 1934' FWL, SE/4 SW/4,

Section 10, Township 6 South, Range 22 East, Uintah County, Utah

6. Possible significant impacts likely to occur:

Surface impacts include up to five acres of surface disturbance during the drilling and completion phase (estimated for five weeks duration). If oil and gas in commercial quantities is discovered, the location will be reclaimed back to a net disturbance of between one and two acres - not including road, pipeline, or utility infrastructure. If no oil or gas is discovered, the location will be completely reclaimed.

- 7. Identify local government affected
 - a. Has the government been contacted?
 - b. When?
 - c. What was the response?
 - d. If no response, how is the local government(s) likely to be impacted?
- 8. For acquisitions of land or interests in land by DWR or State Parks please identify state representative and state senator for the project area. Name and phone number of state representative, state senator near project site, if applicable:
 - Has the representative and senator been contacted? N/A
- 9. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Uintah Basin Association of Governments

10.	For	further	information,	contact:

11. Signature and title of authorized officer

Diana Whitney

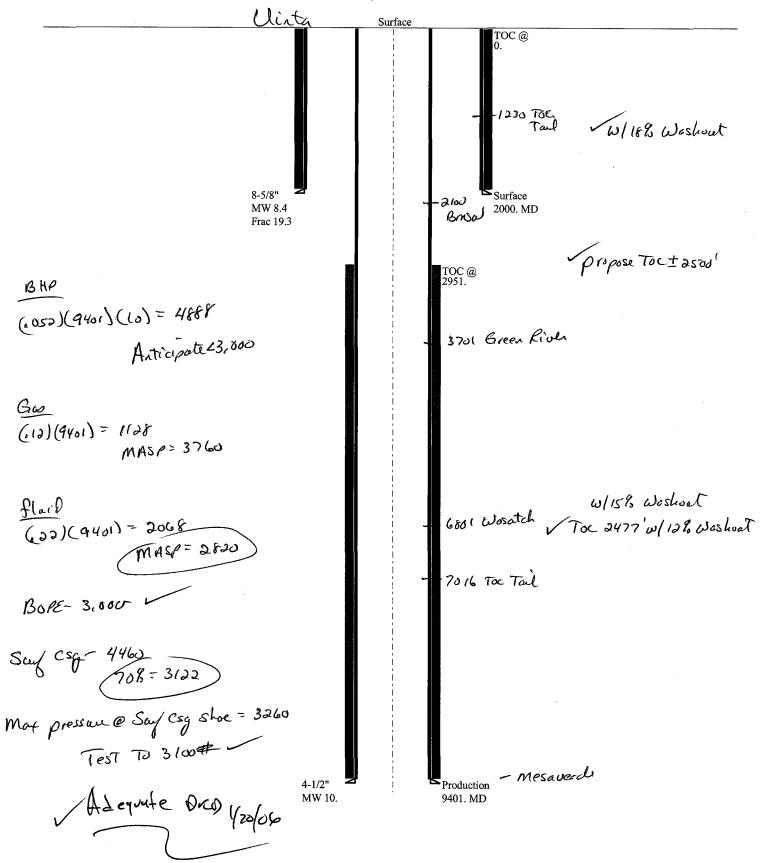
(801) 538-5312 Phone:

Gil Hunt, Associate Director

November 18, 2005 Date:

9-06 Houston N Horseshoe 1-0-6-22

Casing Schematic



Well name:

01-06 Houston N Horseshoe 14-10-6-22

Operator:

Houston Exploration Company

String type:

Surface

Project ID:

43-047-37394

Location:

Uintah County

Design	parameters:
O - II	_

<u>Collapse</u>

Mud weight:

8.400 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse: Design factor

1.125

Environment:

H2S considered? Surface temperature:

No 65 °F

Bottom hole temperature: Temperature gradient:

93 °F 1.40 °F/100ft

Minimum section length:

250 ft

Burst:

Design factor

1.00

1.80 (J)

1.80 (J)

1.60 (J)

1,749 ft

Cement top:

Surface

Burst

Max anticipated surface

No backup mud specified.

pressure: Internal gradient: Calculated BHP

1,760 psi 0.120 psi/ft 2,000 psi

Tension:

8 Round STC: 8 Round LTC:

Premium:

Neutral point:

Buttress:

1.50 (J) Body yield: 1.50 (B)

Tension is based on buoyed weight.

Re subsequent strings:

Non-directional string.

Next setting depth: Next mud weight:

9.345 ft 10.000 ppg 4,855 psi

Next setting BHP: Fracture mud wt: Fracture depth: Injection pressure

19.250 ppg 2,000 ft 2,000 psi

Run Seg	Segment Length	Size	Nominal Weight	Grade	End Finish	True Vert Depth	Measured Depth	Drift Diameter	Internal Capacity
ooq	(ft)	(in)	(lbs/ft)	Orace	1 1111311	(ft)	(ft)	(in)	(ft ³)
1	2000	8.625	36.00	J-55	ST&C	2000	2000	7.7	143.6
Run	Collapse	Collapse	Collapse	Burst	Burst	Burst	Tension	Tension	Tension
Seq	Load	Strength	Design	Load	Strength	Design	Load	Strength	Design
	(psi)	(psi)	Factor	(psi)	(psi)	Factor	(Kips)	(Kips)	Factor
1	873	3450	3.953	2000	4460	2.23	63	434	6.89 J

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining

Phone: 801-538-5280 FAX: 810-359-3940

Date: January 19,2006 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2000 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.



01-06 Houston N Horseshoe 14-10-6-22

Operator:

Houston Exploration Company

Production

String type:

Design parameters:

Project ID:

43-047-37394

Location:

Collapse

Uintah County

Minimum design factors:

Collapse:

Environment:

H2S considered?

No

Mud weight: 10.000 ppg Design is based on evacuated pipe.

Design factor

1.125

Surface temperature: Bottom hole temperature:

65 °F

Temperature gradient:

197 °F 1.40 °F/100ft

Minimum section length: 1.500 ft

Non-directional string.

Burst:

Design factor

1.00

Cement top:

2,951 ft

Burst

Max anticipated surface

pressure: Internal gradient: 3,755 psi

Calculated BHP

No backup mud specified.

0.120 psi/ft 4,884 psi

Tension:

8 Round STC:

8 Round LTC: Buttress:

Premium:

Body yield:

1.80 (J)

1.80 (J) 1.60 (J) 1.50 (J)

1.50 (B)

Tension is based on buoyed weight. Neutral point: 7,996 ft

Run Segment Nominal End True Vert Measured Drift Internal Seq Length Size Weight **Grade Finish** Depth Depth Diameter Capacity (ft) (lbs/ft) (in) (ft) (ft) (in) (ft³) 1 9401 4.5 11.60 N-80 LT&C 9401 9401 3.875 217.9 Collapse Collapse Run Collapse **Burst Burst Burst Tension Tension Tension** Seq Load Strength Design Load Strength Design Load Strength Design (psi) (psi) **Factor** (psi) (psi) **Factor** (Kips) Factor (Kips) 1 4884 6350 1.300 4884 7780 1.59 223 2.40 J

Prepared

Clinton Dworshak

Utah Div. of Oil & Mining

Phone: 801-538-5280

FAX: 810-359-3940

Date: January 19,2006 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9401 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

From:

Robert Clark

To:

Whitney, Diana 11/28/2005 9:17:07 AM

Date: Subject:

RDCC short turn around responses

The following comments are being submitted directly to DOG&M due to their short turn around status.

The following comments are submitted for RDCC #5944-5949. The comments pertain to all projects. Comments begin: The proposed *North Horseshoe 12-7-6-22, 16-9-6-22, 14-10-6-22, 2-15-6-22, 4-15-6-22, and 3-16-6-21* well drilling projects in Uintah County may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed project is also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm. Comments end.

The following comments are submitted for RDCC #5950-5952. The comments pertain to all projects. Comments begin: The proposed *Thurston 5-15-9-24, 13-29-9-24, and 10-15-9-24* well drilling projects in Uintah County may require a permit, known as an Approval Order, from the Utah Division of Air Quality if any compressor stations are constructed at the site. A permit application, known as a Notice of Intent (NOI), should be submitted to the Executive Secretary at the Utah Division of Air Quality at 150 N. 1950 West, SLC, UT, 84116 for review according to the Utah Air Quality Rule R307-401. Permit: Notice of Intent and Approval Order. The proposed project is also subject to Utah Air Quality Rule R307-205-3, Fugitive Dust, due to the fugitive dust that is generated during the excavating phases of the project. These rules apply to construction activities that disturb an area greater than 1/4 acre in size. A permit, known as an Approval Order, is not required from the Division of Air Quality, but steps need to be taken to minimize fugitive dust, such as, watering and/or chemical stabilization, providing vegetative or synthetic cover and windbreaks. A copy of the rules may be found at www.rules.utah.gov/publicat/code/r307/r307.htm . Comments end.

Robert Clark

Division of Air Quality 536-4435

CC:

Mcneill, Dave: Wright, Carolyn

From:

Ed Bonner

To:

Whitney, Diana

Date:

12/20/2005 9:54:05 AM

Subject:

Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Enduring Resources, LLC

Big Pack 12-21-11-2

Big Pack 12-21-13-2

Big Pack 12-21-24-2

EOG Resources, Inc.

Chapita Wells Unit 695-32

The Houston Exploration Company

North Walker Hollow 2-32-6-23

North Walker Hollow 8-32-6-23

North Walker Hollow 10-32-6-23

North Walker Hollow 12-32-6-23

North Walker Hollow 16-32-6-23

North Horseshoe 12-7-6-22

North Horseshoe 16-9-6-22

North Horseshoe 14-10-6-22

North Horseshoe 2-15-6-22

North Horseshoe 4-15-6-22

Westport Oil & Gas Company

NBU 1022-20N

NBU 1022-20L

NBU 1022-20F

NBU 1022-20D

If you have any questions regarding this matter please give me a call.

CC:

Garrison, LaVonne; Hill, Brad; Hunt, Gil

Clinton Dworshak - cement sks changes

From:

eric bowedn <starman686@yahoo.com>

To:

<clintondworshak@utah.gov>

Date:

1/18/2006 1:39 PM

Subject: cement sks changes

here are the cement sks changes that you reqested.

Yahoo! Photos - Showcase holiday pictures in hardcover

Photo Books. You design it and we'll bind it!

THE HOUSTON EXPLORATION COMPANY

WELL NAME	API	LEAD	TAIL
VV ESEMBITITE TO THE PROPERTY OF THE PROPERTY	***	sks	sks
NH 9-16-6-21	43-047-37439	415	514
NH 3-16-6-21	43-047-37391	415	514
NH 13-16-6-21	43-047-37575	415	514
NH 15-2-6-21	43-047-37477	415	514
NH 13-2-6-21	43-047-37476	415	514
NH 11-16-6-21	43-047-37441	499	515
NH 7-16-6-21	43-047-37438	499	515
NH 1-16-6-21	43-047-37442	499	515
NH 15-16-6-21	43-047-37440	499	515
NH 12-7-6-22	43-047-37392	415	515
NH 16-9-6-22	43-047-37393	415	515
NH 14-10-6-22	43-047-37394	415	515
NH 4-15-6-22	43-047-37396	415	515
NH 2-15-6-22	43-047-37395	415	515
NWH 13-36-6-23	43-047-37463	357	526
NWH 15-36-6-23	43-047-37464	357	526
NWH 11-36-6-23	43-047-37462	357	526
NWH 14-32-6-23	43-047-37478	357	526
NWH 2-32-6-23	43-047-37399	357	526
NWH 8-32-6-23	43-047-37401	357	526
NWH 10-32-6-23	43-047-37400	357	526
NWH 12-32-6-23	43-047-37397	357	526
NWH 16-32-6-23	43-047-37398	357	526
G 2-2-6-19	43-047-37561	153	1,050
G 16-2-6-19	43-047-37562	153	1,050
G 1-2-6-19	43-047-37563	153	1,050
G 3-2-6-19	43-047-37568	153	1.050



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 23, 2006

Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002

Re:

North Horseshoe 14-10-6-22 Well, 644' FSL, 1934' FWL, SE SW, Sec. 10, T. 6 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37394.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc:

Uintah County Assessor

SITLA

Operator:	Houston		
Well Name & Number	North H		
API Number:	43-047-	37394	
Lease:	ML-479	169	
Location: <u>SE SW</u>	Sec. 10	T. 6 South	R. <u>22 East</u>

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- 24 hours prior to cementing or testing casing
- 24 hours prior to testing blowout prevention equipment
- 24 hours prior to spudding the well
- within 24 hours of any emergency changes made to the approved drilling program
- prior to commencing operations to plug and abandon the well

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

Page 2 43-047-37394 January 23, 2006

- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 7. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.



State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director



GARY R. HERBERT Lieutenant Governor

February 26, 2007

Ginger Stringham
The Houston Exploration Co.
1100 Louisiana, Suite 2000
Houston, TX 77002-6800

Re:

APD Rescinded -North Horseshoe 14-10-6-22 Sec. 10 T. 6 R. 22E

Uintah County, Utah API No. 43-047-37394

Ms. Stringham:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on January 23, 2006. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective February 26, 2007.

A new APD must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason

Environmental Scientist

cc: Well File

SITLA, Ed Bonner

Division of Oil, Gas and Mining

COMMENTS:

OPERATOR CHANGE WORKSHEET

1. DJJ 2. CDW

Change of Operator (Well Sold)		X - Operator Merger								
The operator of the well(s) listed below has ch	6/1/2007									
FROM: (Old Operator): N2525 - The Houston Exploration Company 1100 Louisiana, Suite 2000 Houston, TX 77002	TO: (New Operator): N6965-Forest Oil Corporation 707 17th St, Suite 3600 Denver, CO 80202									
Phone: 1-(713) 830-6800				Phone: 1 (303) 812-1755						
CA N	o.			Unit:						
WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS		
SEE ATTACHED LIST							<u> </u>			
OPERATOR CHANGES DOCUMEN Enter date after each listed item is completed 1. (R649-8-10) Sundry or legal documentation 2. (R649-8-10) Sundry or legal documentation 3. The new company was checked on the Depa	was rec was rec	eived f eived f	rom the	NEW operator	on:	7/30/2007 7/30/2007 s Database o	. -	7/31/2007		
4a. Is the new operator registered in the State of				Business Numb		571171-0143				
4b. If NO, the operator was contacted contacted							-			
5a. (R649-9-2)Waste Management Plan has been		ed on:		IN PLACE						
5b. Inspections of LA PA state/fee well sites cor					-					
5c. Reports current for Production/Disposition &				YES	•					
6. Federal and Indian Lease Wells: The				has approved the	- e merger, na	ame change,				
or operator change for all wells listed on Fed					BLM	not yet	BIA	_		
7. Federal and Indian Units:						-		_		
The BLM or BIA has approved the succes	sor of u	nit ope	rator fo	r wells listed on:	•	n/a	_			
8. Federal and Indian Communization										
The BLM or BIA has approved the operate	or for al		listed v		1 IUC I	n/a	- for of A	utharity to		
9. Underground Injection Control ("UI								ithority to		
Inject, for the enhanced/secondary recovery	unit/pro	oject fo	or the w	ater disposal we	n(s) nstea (JII.	<u>n/a</u>	_		
DATA ENTRY:				7/31/2007						
 Changes entered in the Oil and Gas Databa Changes have been entered on the Monthly 	se ou: Onerat	or Ch	ange St		•	7/31/2007				
3. Bond information entered in RBDMS on:	Орели	or on	unge of	7/31/2007						
4. Fee/State wells attached to bond in RBDMS				7/31/2007	_					
5. Injection Projects to new operator in RBDM				n/a	_					
6. Receipt of Acceptance of Drilling Procedure	s for A	PD/Ne	w on:		pending					
BOND VERIFICATION:										
1. Federal well(s) covered by Bond Number:				6236351	_					
2. Indian well(s) covered by Bond Number:	11/ 5 4		•	n/a	_	6210062				
3a. (R649-3-1) The NEW operator of any fee						6218963	_			
3b. The FORMER operator has requested a rel	ease of	liabilit	y from t	heir bond on:	not yet	-				
LEASE INTEREST OWNER NOTIF	ICAT	ION:								
4. (R649-2-10) The FORMER operator of the	ee well	s has b	een con	tacted and infor	med by a le	etter from the	Division			
of their responsibility to notify all interest ov	mers of	this ch	nange or	n:	8/1/2007	<u></u>				

	STATE OF UTAH DEPARTMENT OF NATURAL RESOU			FORM 9
	DIVISION OF OIL, GAS AND MI	MING		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached List
SUNDR	Y NOTICES AND REPORTS	S ON WEL	LS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
Do not use this form for proposals to drill drill horizontal	new wells, significantly deepen existing wells below culaterals. Use APPLICATION FOR PERMIT TO DRILL	rrent bottom-hole de form for such propos	oth, reenter plugged wells, or to als.	7. UNIT or CA AGREEMENT NAME.
1. TYPE OF WELL OIL WELL	GAS WELL OTHER_			8. WELL NAME and NUMBER: See Attached List
2. NAME OF OPERATOR:	N6965			9. API NUMBER:
Forest Oil Corporation 3. ADDRESS OF OPERATOR: 707 17th Street, #3600	TY Denver, STATE CO ZIP	,80202	PHONE NUMBER (303) 812-1755	10. FIELD AND POOL, OR WILDCAT:
4. LOCATION OF WELL FOOTAGES AT SURFACE: See 8	d d N - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 - 5 -	ear o deregelarens op 12. Esta la 12 12 12.		COUNTY:
QTR/QTR, SECTION, TOWNSHIP, RA	ing the Annual Annual Market Market (1997) — An Area Market (1997) (1997) (1997) (1997) (1997) (1997) (1997) (1997)			STATE: UTAH
CHECK ADD	PODDIATE POVES TO INDICAT	E MATURE	OF NOTICE BEDOI	
TYPE OF SUBMISSION	PROPRIATE BOXES TO INDICAT		YPE OF ACTION	RI, OR OTHER DATA
	ACIDIZE	DEEPEN	TPE OF ACTION	REPERFORATE CURRENT FORMATION
NOTICE OF INTENT (Submit in Duplicate)	ALTER CASING	FRACTURE	TREAT	SIDETRACK TO REPAIR WELL
Approximate date work will start:	CASING REPAIR	NEW CON	STRUCTION	TEMPORARILY ABANDON
	CHANGE TO PREVIOUS PLANS	OPERATO		TUBING REPAIR
	CHANGE TUBING	PLUG AND		VENT OR FLARE
SUBSEQUENT REPORT	CHANGE WELL NAME	PLUG BAC		WATER DISPOSAL
(Submit Original Form Only)	CHANGE WELL STATUS	_	ON (START/RESUME)	WATER SHUT-OFF
Date of work completion:	COMMINGLE PRODUCING FORMATIONS	<u></u>	TON OF WELL SITE	
	CONVERT WELL TYPE		ETE - DIFFERENT FORMATION	✓ OTHER: Change of Operator
				10/2/
Effective 6/1/2007 please N-2525) to Forest Oil Col	completed operations. Clearly show all rechange the operator for the attack roration (N-6965). Forest merge he contract operated wells will co	ched list of U d with The H	tah wells from The Ho ouston Exploration C	ouston Exploration Company company, a copy of the merger
	new operator, accepts all applica ducted on the lease or portion of t			and restrictions concerning
Forest Oil Corporation me	eets the State of Utah bonding red	quirements u	nder Safeco bond #6	218963.
Please send all future co	rrespondence to Forest Oil Corpo	ration at the	above listed address.	
Forest Oil Corporation, 70	07 17th Street, Suite #3600, Denv	er, CO 8020	2	
ac/ Ilm	,		7 - 9	5-07
J. C. Ridens, Senior Vice	President - Western Region		D	ate
NAME (PLEASE PRINT) JOANNE C	C. Hresko	ТІТІ	E Vice President &	General Mgr Northern Division

SIGNATURE

(This space for State use only)

No wells in APD status or at this time. RECEN

RECEIVED

(5/2000)

Division of Oil, Gas and Mining Earlene Russell, Engineering Technician JUL 3 U 2007

well name	sec	twp	rng	api	entity	lease	well	stat	flag	unit	qtr qtr	1 num	op no
FEDERAL 28-01	28	1 1		4304730098		ļ		S	<u>U</u>		SESE		N2525
CONOCO STATE 32-2	32	080S		4304730100	10096			S			NENE	ML-11124	N2525
ROCK HOUSE 11-31	31	100S	230E	4304733312	13984	Federal	GW	P		-	NESW	UTU-76281	N2525
BONANZA 4B-12	12	090S	230E	4304733806	14593	Federal	D	PA			NWNW	UTU-74426	N2525
WALKER HOLLOW 13-31	31	060S	230E	4304735039		Federal	GW	LA		-	SESW	UTU-76280	N2525
ROCK HOUSE 6D-32	32	100S	230E	4304735409	14293	State	GW	S			SENW	ML-47063	N2525
BONANZA 2B-16	16	090S	240E	4304735694	14186	State	D	PA			NWNE	ML-46526	N2525
ROCK HOUSE 2D-36	36	100S	220E	4304735759	14357	State	GW	P			NWNE	ML-47061	N2525
ROCK HOUSE 2D-32	32	100S	230E	4304735760	14317	State	GW	S	i		NWNE	ML-47063	N2525
ROCK HOUSE 10D-32	32	100S	230E	4304735761	14318	State	GW	S			NWSE	ML-47063	N2525
ROCK HOUSE 12D-32	32	100S	230E	4304735762	14294	State	GW	P			NWSW	ML-47063	N2525
ROCK HOUSE 11-36	36	100S	220E	4304735900	14478	State	GW	P			NESW	ML-46907	N2525
ROCK HOUSE 4-36	36	100S	220E	4304735901	14449	State	GW	S			NWNW	ML42061	N2525
BONANZA 12A-22	22	090S	240E	4304735922	14520	Federal	D	PA			NWSW	UTU-78118	N2525
BONANZA 14-16	16	090S	240E	4304735941	14521	State	D	PA			SESW	ML-46526	N2525
ROCK HOUSE 11-2	02	110S	230E	4304736153	14695	State	GW	P	С		NESW	ML-47078	N2525
ROCK HOUSE 7-32-10-23	32	100S	230E	4304736306	14766	State	GW	S			SWNE	ML-47063	N2525
ROCK HOUSE 3-32-10-23	32	100S	230E	4304736307	14781	State	GW	P			NENW	ML-47063	N2525
ROCK HOUSE 5-32-10-23	32	100S	230E	4304736410	14727	State	GW	S			SWNW	ML-47063	N2525
GUSHER 6-2	02	060S	190E	4304736963		State	OW	LA			SENW	ML-49144	N2525
N HORSESHOE 3-16-6-21	16	060S	210E	4304737391	15716	State	GW	DRL	C		NENW	ML-49317	N2525
N HORSESHOE 12-7-6-22	07	060S	220E	4304737392		State	GW	LA			NWSW	ML-47969	N2525
N HORSESHOE 16-9-6-22	09	060S	220E	4304737393		State	GW	LA			SESE	ML-47969	N2525
N HORSESHOE 14-10-6-22	10	060S	220E	4304737394		State	GW	LA			SESW	ML-47969	N2525
N HORSESHOE 2-15-6-22	15	060S	220E	4304737395		State	GW	LA			NWNE	ML-47969	N2525
N HORSESHOE 4-15-6-22	15	060S	220E	4304737396		State	GW	LA			NWNW	ML-47969	N2525
N WALKER HOLLOW 12-32-6-23	32	060S	230E	4304737397		State	GW	LA	: !		NWSW	ML-47777	N2525
N WALKER HOLLOW 16-32-6-23	32	060S	230E	4304737398		State	GW	LA			SESE	ML-47777	N2525
N WALKER HOLLOW 2-32-6-23	32	060S	230E	4304737399	15741	State	GW	DRL	C		NWNE	ML-47777	N2525
N WALKER HOLLOW 10-32-6-23	32	060S	230E	4304737400		State	GW	LA			NWSE	ML-47777	N2525
N WALKER HOLLOW 8-32-6-23	32	060S	230E	4304737401		State	GW	LA			SENE	ML-47777	N2525
N WALKER HOLLOW 11-36-6-23	36	060S	230E	4304737462		State	GW	LA		}	NESW	ML-47970	N2525
N WALKER HOLLOW 13-36-6-23	36	060S	230E	4304737463		State	GW	LA			SWSW	ML-47970	N2525
N WALKER HOLLOW 15-36-6-23	36	060S	230E	4304737464		State	GW	LA			SWSE	ML-47970	N2525
N WALKER HOLLOW 14-32-6-23	_			4304737478		State	GW	LA			SESW	ML-47777	N2525
HACKING RES 11-32-8-25	32	080S	250E	4304737479		State	GW	LA			NESW	ML-11124	N2525
HACKING RES 3-32-8-25				4304737480		State	GW	LA			NENW	ML-11124	N2525
HACKING RES 5-32-8-25	32	080S	250E	4304737481		State	GW	LA			SWNW	ML-11124	N2525
HACKING RES 15-32-8-25	32	080S	250E	4304737482		State	GW	LA			SWSE	ML-11124	N2525
HACKING RES 9-32-8-25	32	080S	250E	4304737483		State	GW	LA			NESE	ML-11124	N2525
HACKING RESERVOIR 7-32-8-25	32	080S	250E	4304737571	15885	State	GW	DRL	С		SWNE	ML-11124	N2525